Saint Paul Planning Commission City Hall Conference Center 15 Kellogg Boulevard West

Minutes August 23, 2013

A meeting of the Planning Commission of the City of Saint Paul was held Friday, August 23, 2013, at 8:30 a.m. in the Conference Center of City Hall.

Commissioners

Mmes. Perrus, Porter, Reveal, Shively, Wang, Wencl; and

Present:

Messrs, Connolly, Edgerton, Gelgelu, Lindeke, Makarios, Nelson, Spaulding,

and Ward.

Commissioners

Mmes. *Merrigan, *Noecker, *Thao; and Messrs. *Ochs, *Oliver, *Schertler,

Absent:

and *Wickiser.

*Excused

Also Present:

Lucy Thompson, Allen Lovejoy, Anton Jerve, Bill Dermody, Laura Eckert, Nicole McCarthy, and Sonja Butler, Department of Planning and Economic

Development staff.

I. Approval of minutes August 9, 2013.

Commissioner Shively proposed a correction be made to the minutes regarding her comment on page 5, regarding Frogtown Farms, the word "disagreement" should be replaced with the words "a lease agreement."

MOTION: Commissioner Reveal moved the approval to modify the minutes of August 9, 2013. Commissioner Ward seconded the motion. The motion carried unanimously on a voice vote.

II. Chair's Announcements

Chair Wencl announced that Donna Drummond and she attended the Parks and Recreation networking reception at City House. Not many people attended but she encouraged the Planning Commissioners to attend these types of events, so that we are in the know on what is happening around the city.

III. Planning Director's Announcements

The Acting Planning Director, Lucy Thompson, gave the report. At City Council on Wednesday, the Industrial Zoning Study was adopted. The Great River Passage Comprehensive Plan Addendum was approved by the Metropolitan Council, so it is in full effect. Met Council staff and representatives from other cities and agencies who reviewed the document gave high praise to the plan. The Sensible Land Use Coalition is sponsoring the Great Places Initiative, an effort to recognize and celebrate great places in the Twin Cities. No place is too large or too small to be considered; places can be located in the central cities, in the suburbs or rural parts of the region.

Nominations are due September 10, 2013, with an awards ceremony in December. An e-mail will be sent to the Commissioners with more information.

IV. Zoning Committee

SITE PLAN REVIEW – List of current applications. (Tom Beach, 651/266-9086)

Three items to come before the Site Plan Review Committee on Tuesday, September 3, 2013:

- Mississippi Market, addition to an existing grocery store at 1500 West 7th Street.
- Regions Hospital, construct a new parking lot at 149 East University Avenue.
- Laurel Apartments, construct a new parking lot for an existing apartment building at 623 Laurel Avenue.

NO BUSINESS

V. Neighborhood Planning Committee

<u>Alcohol Production Zoning Study</u> – Recommendation to release draft for public review and set public hearing for October 4, 2013. (Bill Dermody, 651/266-6617)

Bill Dermody, PED staff, gave a power point presentation about the Alcohol Production Zoning Study. In the audience were Dane and Thom from Burning Brothers Brewing, which is going in soon in Hamline Midway, and Ross Haddow, DSI intern, who has put in a lot of work into the research in the study. Mr. Dermody gave an overview focusing on how they got to this point and summarizing some of the recommendations. There is a lot of interest in small breweries in the City of Saint Paul regionally and nationally. This used to be called the breweries and taproom study and the reason for the change is that there has been interest in small distilleries and the resolution from City Council allowed for this. They also studied wineries, and the reason for including wine is because wine is not just wine under the state definition; it also includes hard cider, sake and some other drinks. A Taproom is a service area adjacent to a brewery. It's currently not allowed for a distillery, and it is distinct from a bar. A growler is a jug of the product. Mr. Dermody talked about the key City definitions. There are three classifications of breweries: malt liquor production, micro/regional brewery and national brewery (e.g. Miller, Coors and Sam Adams). He explained what the existing zoning code allows.

Commissioner Ward asked what type of restrictions for distilleries, in terms of volume, are being considered.

Mr. Dermody said right now distilleries are not allowed by the code.

They did research on this, looking at nationwide regulations regarding alcohol production, location/setting within urban areas, interviewed local businesses and staff from focus cities. In terms of small breweries, they found that Saint Paul is rather permissive compared to most cities - a lot of places would limit breweries to industrial districts; Saint Paul does not. Smaller breweries that generate 5,000 barrels and under they have not heard any complaints from (odor, traffic, etc.) Truck traffic has not been an issue either. Their research has pointed them towards recommending a conditional use permit option for exceeding 5,000 barrels per year. They do propose a hard cap of 20,000 barrels.

Commissioner Edgerton said is there any difference between how craft brewery is regulated in terms of micro versus larger breweries. Are there other requirements that would be placed on them?

Mr. Dermody said that there may be different licensing requirements that don't quite correspond to the zoning regulations.

The research found that small distilleries are a growing market, with urban concentrations in Portland/Seattle often near residential/commercial uses. They have not generated complaints. There is the issue with the distilleries that they have a flammable product and those concerns are handled by Fire Code. Truck traffic is usually less than (or the same) breweries. Odor is a concern only for larger operations that dry byproduct on site (ethanol plant), while smaller distilleries have not had this issue at all. They do propose to create a craft distillery definition and allowing in certain districts. They propose a maximum of 40,000 proof-gallons per year which corresponds with the limit for tax advantages at the state level.

Commissioner Nelson asked for an explanation of what a proof-gallon is?

Mr. Dermody said that the state taxes these distilleries based upon the proof-gallon per year, the proof-gallon is one gallon of 100 proof, which is 50% alcohol, so a typical 80 proof beverage 40,000 proof-gallons is 50,000 actual gallons. They are suggesting this be permitted in similar districts to malt liquor production. Re: wineries, cider and sake are the most likely wines to be produced here. The odor and truck traffic are similar to breweries and distilleries. Staff is proposing to create a craft winery definition with the same maximums converted to gallons as the breweries. There are other issues that don't fall into any of the categories like parking. Currently the practice is to take that taproom portion of a small brewery and park it as if it were a restaurant and everything else is parked as if it were production. Staff is suggesting calling everything craft: malt liquor production today would be called craft brewery and there would be craft distillery and craft winery. Summary of changes they are proposing is: conditional use permit option for craft brewery to exceed 5,000 barrels per year, and craft distillery and craft winery be allowed, and clarify taproom parking.

Commissioner Lindeke noted that Minneapolis currently calculates parking for breweries in industrial areas as if it were a 100% production use, regardless of any taproom space. What does that mean that their parking minimums are smaller?

Mr. Dermody said it means that they typically would have less parking required for those facilities. If it was a 5,000 sq. ft. facility with 4,000 sq. ft. of it being a taproom, it would be treated the same and have the same parking requirements, approximately 5 spaces. In Saint Paul they don't do that.

Commissioner Lindeke asks if there have been any problems in their taproom boom that they've had.

Mr. Dermody said no problems with regard to parking, according to City staff.

Commissioner Spaulding said that the odors are produced by drying byproduct at the facility; do most breweries or uses in the study end up drying that byproduct on site?

Mr. Dermody said that usually does not occur. With regard to distilleries, it would be something that DSI staff would be looking at as a potential property maintenance or nuisance violation if they were drying on site and creating an odor problem.

Commissioner Connolly asked whether these proposed changes go far enough in either giving these guys the leeway they need to do what they need to do or playing into some Saint Paul or regional economic development branding strategy. Was it simply that we are trying to slot ourselves in appropriately with other cities, or did we think about what could happen and how could this make us get ahead of the curve?

Mr. Dermody said both; we looked at what other cities were doing. The resolution from City Council asked them to make it easier on small breweries to operate in the city. And they looked at every regulation and ways to make it easier.

Connolly asked whether Mr. Dermody thinks this goes far enough.

Mr. Dermody said when they put this out for public hearing, they may get feedback from the businesses themselves. They've been talking to many of them throughout this process. There's been a desire for two things: consistency/clarity in the regulations and allowing them some way to expand in one place over time. The question of whether it's far enough is up to the Planning Commission. They didn't feel comfortable recommending going into any additional districts.

Commissioner Ward said they should work with the Port Authority to look for larger areas where these smaller businesses can expand and tie it into a destination travel location where you could have vacation tours that go to all these different distilleries. Also, perhaps allowing restaurants who want to be co-located with these breweries some leeway regarding parking so that you don't have a lot of congestion parking issues in the neighborhood.

Mr. Dermody noted that the Mayor's office is looking at that potential as well. He has not talked with the Port Authority but he will pass those ideas along.

Commissioner Lindeke asked what the current food truck regulations are; because that's a common thing in Minneapolis outside a taproom to park a food truck. Is that possible in Saint Paul?

Mr. Dermody said food trucks are allowed in Saint Paul, but he is not sure of the regulations. They will investigate that.

MOTION: Commissioner Ward moved on behalf of the Neighborhood Planning Committee to release the draft for public review and set a public hearing on October 4, 2013. Commissioner Lindeke seconded the motion. The motion carried unanimously on a voice vote.

Chair Wencl announced that the next Neighborhood Committee meeting on Wednesday, August 28, 2013 has been cancelled.

VI. <u>Complete Streets Update: Better Block Event, Workshops and Street Design Manual</u> – Informational presentation by Anton Jerve, PED. (Anton Jerve, 651/266-6567)

Anton Jerve, PED staff gave an informational update on the East 7th Better Block Event, a component of the overall complete streets planning work and Street Design Manual. The Street Design Manual consultants proposed to do a Better Block event to showcase some of the design elements to be featured in the manual. They selected East 7th Street between Margaret Street and Arcade because of it physical characteristics, average daily traffic counts, as well as the outreach and organizing the Dayton's Bluff Community Council had been doing along East 7th Street (Make It Happen). The event was held on June 8, 2013.

The overall plan for the project was to close Margaret Street and have a pedestrian plaza, a market area, and an activity area for kids. Along 7th Street, they added a pedestrian crossing, bumping out the curbs at the intersections to shorten the crossing distance. They added a two-way cycletrack on the north side of the street with a floating parking lane, widened the sidewalk on the south side of the street to add some sidewalk café space and more space for the bus stop, and reduced the street to one lane in each direction.

They had draft pages from the Street Design Manual throughout the block identifying street elements and how and why it is used. This included sidewalk zones, buffered bike lanes, green bike lanes, cycletracks, high-visibility crosswalks, etc.

Mr. Jerve showed a short video of the actual event.

Prior to and during the event they took some metrics: Auto speeds were reduced from 37 miles per hour to 25 miles per hour during the event; the pedestrian buffer from the vehicles was increased from eight feet to 20 feet with the redesign; pedestrian crossing distance was reduced from 60 feet to 22 feet; decibels were reduced from 92 to 60 decibels on average; outside seating was increased from six spots to 50 spots; and the average time for people lingering around increased from two seconds to two minutes; there were two food vendors there that sold out. They estimated about 200–300 people attended the event.

The next steps in this process will be to write up the event as part of the assessment report in the Complete Streets Action Plan. It was successful, people had fun, they got a lot of people out, and they were able to see how street design can influence how people use the street in a tangible way. For these reasons, it can be a valuable tool.

VII. Comprehensive Planning Committee

Commissioner Reveal said that they met last week and they plan on meeting twice in September. They are currently working on the West Midway Industrial Strategy. They also want to bring in the West Side Flats and West Midway groups together to talk about a key issue with both of them, which is how definitive they want to be about the prohibition or permission of conversion of current industrial space to more commercial or mixed use space.

VIII. Transportation Committee

Commissioner Spaulding said that they met 2 weeks ago and discussed the Como Park Pedestrian Bridge. Additionally, they discussed future topics for the Transportation Committee. Commissioner Spaulding also announced the items on the agenda at the next Transportation Committee meeting on Monday, August 26, 2013.

IX.	Commu	nications	Committee
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No report.

X. Task Force/Liaison Reports

Commissioner Reveal announced that the West Side Flats draft plan is coming soon. The Community Task Force will be seeing it in October.

XI. Old Business

None.

XII. New Business

None.

XIII. Adjournment

Meeting adjourned at 9:40 a.m.

Recorded and prepared by Sonja Butler, Planning Commission Secretary Planning and Economic Development Department, City of Saint Paul

Respectfully submitted,

Lucy Thompson

Acting Planning Director

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Approved September 6, 2013

(Date)

Daniel Ward II

Secretary of the Planning Commission